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September 8, 2008

VIA FEDERAL EXPRESS
and VIA ECF

Honorable Victor Marrero
United States District Judge
United States Courthouse
500 Pearl Street
New York, New York 10007

Re: 105 Street Associates LLC v. Greenwich Insurance Company
05-CV-9938 (VM) (DCF)

Dear Judge Marrero:

We represent 105 Street Associates LLC, the Plaintiff in the above-captioned action.

We apologize for our inadvertent neglect to have provided an earlier status report concerning the underlying state court action (the "Underlying Action"), which impacts the need for a trial of the within action.

We previously reported that we were awaiting decision on the motion of 105 Street Associates LLC for summary judgment for full indemnity from a third-party in the Underlying Action, which motion, if granted, may eliminate the need for a trial of the within action. Thereafter, we received an adverse decision on the motion and expedited an appeal therefrom, which is calendared for the October 2008 term of the First Department.

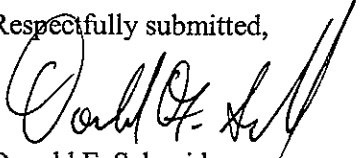
In addition, on September 15, 2008 oral argument of our motion for a stay of the trial in the Underlying Action pending determination of the appeal is scheduled.

In addition to apprising Defendant's counsel of the foregoing, I have just requested that his client agree to participate in a mediation along with the parties to the Underlying Action in an attempt to settle all issues. Glenn Fuerth, Esq., Defendant's counsel, authorized me to state to Your Honor that he is in the process of seeking authority from Defendant, Greenwich Insurance Company ("Greenwich"), to participate in such mediation on its behalf.

In the event that Greenwich agrees to participate in the mediation, or the trial of the Underlying Action is stayed pending appeal, we intend to continue to request that the trial of the within action not be scheduled.

Unless Your Honor wants a different procedure, we will advise this Court in writing upon the earlier to occur of (i) October 15, 2008, (ii) Greenwich's declination to participate in a mediation or (iii) a decision on the motion for a stay pending appeal.

Respectfully submitted,



Donald F. Schneider

DFS/gk

Cc: Glenn Fuerth, Esq. (via federal express)